

WHY?

A press dispatch from Ottawa says:—

"Representations have been made to the Dominion government from various sources that the British blacklist of United States firms should be enforced as regards Canadian trade. It is not generally understood that although copies of the list are on file in the Canadian trade and commerce department it *does not apply in any sense to Canada and that Canadian firms are free to trade unrestricted with whomsoever they will.* As far as can be learned there is no intention on the part of the government to make any change in this arrangement with which Canadian merchants are well satisfied. No Canadian blacklist has yet been established and such action will not be taken without careful consideration."

What an advertisement for Canada's dollar commercial patriotism!

SPECULATION AND PRODUCTION

In Toronto recently, Sir George Foster spoke of the speculative mania in Canada a few years ago and took Prince Rupert as an example. His statements printed in *The Monetary Times* of November 17th, have brought a reply from Mr. G. R. Naden, of Prince Rupert. It is printed on another page. The most important point made by our correspondent, we think, is in regard to the productive power and output of Northern British Columbia. The need for greater production was, after all, the moral of Sir George Foster's Prince Rupert story. While Mr. Naden perhaps quite naturally objects to his city being taken as the example, he is apparently in agreement with the principle involved.

After quoting the Prince Rupert incident, Sir George said: "Now, that is an instance of what has been going on in this country. What we have to do is to get away from the false idea that you can make money by swapping jackknives at a quarter of a dollar advance for each swap. Why, 90 miles from Victoria, in the dense forest, there is staked out to-day many and many a succession of town lots, land which should have been cultivated by the agriculturist, propped up by speculation until it comes to take a fictitious value that no man can settle on it and cultivate it; he would not have a ghost of a chance for his life. Those two instances show what I mean."

Few will disagree with that view as applied to the whole country. Since 1912, the value of production and the harm of hurtful speculation have been seen more in their true perspective. Only the other day this letter came to *The Monetary Times* from a leading manufacturer of British Columbia: "Our population, like that of all the western provinces, was attracted by the prospect of easy money in speculating rather than by industry, the result being a real-estate boom, consequent overgrowth in our cities, large sums borrowed and invested in non-productive and unremunerative enterprises. This led banks and financial experts to regard British Columbia credits with disfavor, and the bona fide manufacturer suffered with the rest. The people of British Columbia have now settled down to legitimate enterprise on sound business principles. Credit is being restored, and to-day a casual observer would be surprised at the remarkable progress made in the last few years."

That is a desirable change, but even yet we are not sure whether, given the old conditions, similar mistakes would not be made.

WAR AND EXCHANGE

German exchange in New York is now depreciated 30 per cent. and Austrian exchange 43 per cent. Since gold payments were abandoned by Berlin in 1914, Germany's paper currency has increased \$1,377,000,000, or 286 per cent. Nobody knows the state of Austria's paper currency. In the meantime, the pound sterling holds its head high and John Bull is able to alarm prosperous neutrals with more gold than they want. Germany cannot forever bluff against hard facts which are still growing harder.

THE GROWING WEST

Wall Street thought it had elected Charles Hughes to the presidency of the United States. The West decided otherwise. The Western States have become a factor for more serious consideration by Wall Street, by the Eastern States generally. In Canada, a similar story is being written. The western provinces have been organizing, politically and otherwise. Eastern Canada's selfishness has caused friction, dissatisfaction and opposition. The mistakes of East and West have been magnified each by the other and their good points overlooked. The West may have developed unduly radical tendencies and the East ultra-conservative ways. Opposition has grown between one section and the other. Little effort, until recently, has been made to give and take, to recognize the proper value of eastern and western demands. That condition is unsatisfactory to both.

The voice of the West must be given a better ear by the East. The East must take the initiative in trying to get a state of affairs more pleasing to the West and beneficial to both. A few manufacturers, loaning men and bankers have recognized that fact. As a result, they and the farmers are already on better terms. To understand, is good for the nation's business. Imaginary grievances have been put into place and real ones removed.

The merging of the farmers' organizations of the western provinces will make a strong national factor. It will have political power for reckoning. It will advance the farmers' interests. It will fight the East if the East does not get a clearer conception of western ideas and ambitions. The prairie provinces have made many mistakes. So has the East. Some of the western legislation is harmful to national interests generally. These and other problems will be best solved by less deafness on the part of Eastern Canada, to Western Canada's voice. Otherwise, the West will cure poor hearing by considerable noise and by taking much more than is good for it or for the country as a whole.

Mr. J. Armitage Ewing, K.C., legal adviser Sun Life Assurance Company of Canada, whose paper on "Some Features of Quebec Insurance Law," given before the Toronto Insurance Institute, and printed in *The Monetary Times*, graduated from McGill University, with honors, in 1897, and was admitted to the Bar in 1898. He then formed a partnership with Hon. Henry Aylmer. In 1898 he entered into partnership with the late Mr. G. B. Cramp, which partnership continued until Mr. Cramp's death in 1915. In 1905 Mr. Ewing was appointed solicitor for the Sun Life of Canada. In 1909 he was created a King's counsel. He is also solicitor for the Liverpool and London and Globe Insurance Company, and the Globe Indemnity Company of Canada, besides other important financial corporations. The practice of the legal firm, of which he is the head, consists largely of insurance and real estate matters.